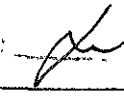


FOURTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Third Regular Session )

9 JUL 13 P2:04

SENATE

S.B. No. **3328**

RECEIVED BY: 

Introduced by Senator Loren Legarda

EXPLANATORY NOTE

Article XIII, Section 11 of the Constitution provides that the State should adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable costs.

As we race to reach the Millennium Development Goals by 2015, the health sector should be one of the prioritized sectors by the State today. However, what is looming is a slow response by the State, as total health expenditure only accounted for 9.4 percent of the country's total expenditure in 2005. The share of health expenditure to GDP in 2005 was lower at 3.3 percent than the previous year's 3.4 percent. Overall, it is still below the 5 percent standard set by the World Health Organization for developing countries like the Philippines. Meanwhile, the out-of-pocket payments are envisioned to be lower than that of social insurance so as to give citizens appropriate health care support. Unfortunately, the share of out-of-pocket payments has increased to 49%, while that of social insurance payments is a low 11%.

Although the Republic Act 7875, otherwise known as the "*National Health Insurance Act of 1995*," mandates that an affordable and accessible health care coverage should be made available to all citizens, access to health care continues to be a problem of, if not completely missing, for indigent Filipinos all over the country. The bill seeks to address this by ensuring that all the benefits under Republic Act 7875 are made available to indigent Filipinos, the most exposed to health risk.

In view of the foregoing, the passage of the bill is earnestly sought.




LOREN LEGARDA  
Senator

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**AN ACT  
TO ENSURE THAT INDIGENT FILIPINOS ARE GRANTED WITH BASIC  
HEALTHCARE SERVICES, PROVIDING FOR A UNIVERSAL  
HEALTHCARE COVERAGE AMENDING FOR THIS PURPOSE SEC. 29 OF  
REPUBLIC ACT NO. 7875 OTHERWISE KNOWN AS THE NATIONAL  
HEALTH INSURANCE ACT OF 1995, AND FOR OTHER PURPOSES**

*Be it enacted by the Senate and the House of Representatives of the Philippines in  
Congress assembled:*

**SECTION I. Short Title.** - This Act shall be known as the  
*"Mandatory Healthcare Coverage of Every Indigent Filipino Act."*

**SEC. 2. Declaration of Policy.** - Pursuant to Section 15, Article II  
of the 1987 Constitution, the State hereby declares the policy of protecting  
and promoting the right to health of the people and instilling health  
consciousness among them. Towards this end, the State shall adopt  
an integrated and comprehensive approach to health development, which  
shall endeavor to make essential goods, health and other social services  
available to indigent Filipinos.

**SEC. 3.** Sec. 29 of Republic Act No. 7875 is hereby amended to  
read as follows:

**SEC. 29. Payment for Indigent Contributions.** - **THE ANNUAL REQUIRED  
PREMIUM contributions for THE COVERAGE OF THE indigent  
[members] FAMILIES IN THE PROGRAM shall be FULLY [partially]  
subsidized by the [local government unit where the member resides. The**

Corporation shall provide counterpart financing equal to the LGU's subsidy for indigents: *Provided*, That in the case of fourth, fifth and sixth class municipalities, the] National Government FOR INCLUSION IN THE ANNUAL GENERAL APPROPRIATIONS ACT (GAA) BASED ON THE POVERTY INCIDENCE SET BY THE NATIONAL STATISTICS COORDINATION BOARD (NSCB). FOR THIS PURPOSE, THE IDENTIFICATION OF QUALIFIED INDIGENT FAMILIES SHALL BE CONDUCTED BY THE DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT (DSWD). [shall provide up to ninety percent (90%) of the subsidy for indigents until such time that they shall have been upgraded to first, second or third class municipalities. The share of the LGUs shall be progressively increased until such time that its share becomes equal to that of the National Government. (a)]

IN CASE OTHER SPONSORS / DONORS WANT TO PARTICIPATE IN THE PROGRAM, THEY SHALL ALSO BE OBLIGED TO PAY THE ANNUAL REQUIRED PREMIUM FOR THE COVERAGE OF THE INDIGENTS. THE CORPORATION SHALL ISSUE THE NECCESARY GUIDELINES FOR THE IMPLEMENTATION OF THIS SCHEME.

**SEC. 4. *Implementing Rules and Regulations.*** - The Secretary of Health, in coordination with the Philippine Health Insurance Corporation (PHIC) shall, within sixty (60) days from the effectivity of this Act, promulgate the necessary rules and regulations for the effective implementation of the provisions of this Act.

**SEC. 5. *Separability Clause.*** - If any provision of this Act is

declared unconstitutional or invalid, the provisions not affected thereby shall continue to be in full force and effect.

**SEC. 6. *Repealing Clause.*** - All laws, including Republic Act No. 7875 as amended, decrees orders, rules and regulations or other issuance inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

**SEC. 7. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days after its publication in two (2) national newspapers of general circulation.

Approved,